

MINUTE ITEM

21. (CONSIDERATION OF SUBSIDENCE COSTS - L.B. W.O. 10,074.)

After presentation of Calendar Item 11 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION CONDITIONALLY APPROVES THE TOWN LOT AREA PROJECT AS A SUBSIDENCE PROJECT AND THE COSTS PROPOSED TO BE EXPENDED THEREUNDER FOR PROPERTY PURCHASE, UTILITY WORK, AREAL FILL, PONTOON BRIDGE EAST APPROACH CONSTRUCTION, OIL FACILITY RELOCATING AND RAISING, AND FORCE ACCOUNT ASSOCIATED WITH THESE ITEMS AS SHOWN ON EXHIBIT "A" ATTACHED, SUBJECT TO THE CONDITION, HOWEVER, THAT THE AMOUNT, IF ANY, OF SUCH COSTS TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COSTS DEDUCTIBLE UNDER SECTION 5(a) OF CHAPTER 29, STATUTES OF 1956, 1ST E.S., WILL BE DETERMINED BY THE COMMISSION UPON AN ENGINEERING REVIEW AND FINAL AUDIT SUBSEQUENT TO THE TIME WHEN THE ITEMS OF WORK HAVE BEEN COMPLETED; PROVIDED THAT NO ESTIMATE SHALL BE PRESENTLY MADE OF THE AMOUNT OF SUBSIDENCE DEDUCTION ULTIMATELY TO BE ALLOWED BY VIRTUE OF SAID ACQUISITIONS AND SAID WORK; FURTHER, THE CITY OF LONG BEACH IS NOT AUTHORIZED TO WITHHOLD FROM REVENUES DUE THE STATE ANY PORTIONS OF THE COSTS OF THE TOWN LOT PROJECT UNTIL COMMISSION APPROVAL HAS BEEN HAD; FINALLY, THE EXECUTIVE OFFICER OR THE ASSISTANT EXECUTIVE OFFICER OR THE MINERAL RESOURCES ENGINEER IS AUTHORIZED TO EXECUTE APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S CONDITIONAL APPROVAL.

Attachment

Calendar Item 11 (2 pages)

CALENDAR ITEM

MISCELLANEOUS

11.

(CONSIDERATION OF SUBSIDENCE COSTS - L.B. W.O. 10,074.)

On September 13, 1957 (Minute Item 32, pages 3510-12, L.B. W.O. 10,046); on October 8, 1957 (Minute Item 16, pages 3561-63, L.B. W.O. 10,048); on November 12, 1957 (Minute Item 23, pages 3645-47, L.B. W.O. 10,050); on December 12, 1957 (Minute Item 25, pages 3724-26, L.B. W.O. 10,054); on January 13, 1958 (Minute Item 25, pages 3778-80, L.B. W.O. 10,055); on February 11, 1958 (Minute Item 24, pages 3863-65, L.B. W.O. 10,056), on March 10, 1958 (Minute Item 25, pages 3934-36, L.B. W.O. 10,058); and on April 14, 1958 (Minute Item 21, pages 3993-95, L.B. W.O. 10,059); the Commission approved the costs proposed to be expended by the City of Long Beach in September 1957, October 1957, November 1957, December 1957, January 1958, February 1958, March 1958, April 1958, and in May 1958 for Property Purchase, Areal Fill, Building Removal, Utility Work, East Approach to the Pontoon Bridge, Oil Facility Relocation and Raising, and Force Account in the Town Lot area project with the provisions that no estimate shall presently be made of the amount of subsidence deduction, and that no deductions be made by the City of Long Beach until Commission approval has been had. The above actions were made on a montly basis rather than the 1957-58 Fiscal Year basis since the Town Lot Project was not processed sufficiently to be proposed in its entirety and had not been reviewed in all its aspects by the staff. Information necessary for the above review had previously been requested from the Long Beach Harbor Department and is being prepared by them.

Since the Town Lot Project is not currently processed sufficiently to be proposed in its entirety, the Long Beach Harbor Department has again submitted a request for current expenditures for property purchase, utility work, earth fill contract costs, pontoon bridge east approach construction, oil facility relocating and raising, and the force account costs associated with these items.

IT IS RECOMMENDED THAT THE COMMISSION CONDITIONALLY APPROVE THE TOWN LOT AREA PROJECT AS A SUBSIDENCE PROJECT AND THE COSTS PROPOSED TO BE EXPENDED THEREUNDER FOR PROPERTY PURCHASE, UTILITY WORK, AREAL FILL, PONTOON BRIDGE EAST APPROACH CONSTRUCTION, OIL FACILITY RELOCATING AND RAISING, AND FORCE ACCOUNT ASSOCIATED WITH THESE ITEMS AS SHOWN ON EXHIBIT "A" ATTACHED, SUBJECT TO THE CONDITION, HOWEVER, THAT THE AMOUNT, IF ANY, OF SUCH COSTS TO BE ALLOWED ULTIMATELY AS SUBSIDENCE COSTS DEDUCTIBLE UNDER SECTION 5(a) OF CHAPTER 29, STATUTES OF 1956, 1ST E.S., WILL BE DETERMINED BY THE COMMISSION UPON AN ENGINEERING REVIEW AND FINAL AUDIT SUBSEQUENT TO THE TIME WHEN THE ITEMS OF WORK HAVE BEEN COMPLETED; PROVIDED THAT NO ESTIMATE SHALL BE PRESENTLY MADE OF THE AMOUNT OF SUBSIDENCE DEDUCTION ULTIMATELY TO BE ALLOWED BY VIRTUE OF SAID ACQUISITIONS AND SAID WORK; FURTHER, THE CITY OF LONG BEACH IS NOT AUTHORIZED TO WITHHOLD FROM REVENUES DUE THE STATE ANY PORTIONS OF THE COSTS OF THE TOWN LOT PROJECT UNTIL COMMISSION APPROVAL HAS BEEN HAD; FINALLY, THAT THE EXECUTIVE OFFICER OR THE ASSISTANT EXECUTIVE OFFICER OR THE MINERAL RESOURCES ENGINEER BE AUTHORIZED TO EXECUTE APPROPRIATE WRITTEN INSTRUMENTS REFLECTING THE COMMISSION'S CONDITIONAL APPROVAL.

EXHIBIT "A"

TABULATION OF COSTS PROPOSED TO BE EXPENDED BY THE CITY OF LONG BEACH DURING MAY 1958 AND JUNE 1958 ON THE TOWN LOT PROJECT.

	LBHD ESTIMATED EXPENDITURES (INCLUDING FORCE ACCOUNT)	SUBSIDENCE AUTHORIZATIONS
<u>Property Purchases **</u>		*
AFE 310, Area 7		
Lot 11; Block 11; Plat 2, Seaside	\$ 2,850	
Lot 4; Block 10; Plat 2, Seaside	1,625	
Miscellaneous Costs (appraisal, engineering, negotiating, legal, and recording costs)	5,000	
AFE 316, Area 4		
Parcel 92	25,000	
Parcel 141	1,550	
Parcel 193	2,300	
Miscellaneous Costs (appraisal, engineering, negotiating, legal, and recording costs)	5,000	
<u>Fill (May 13, 1958 to June 30, 1958)</u>		*
AFE 318, Area 4	500,000	
AFE 312, Area 7	80,000	
<u>Temporary East Approach to Pontoon Bridge for May 13, 1958 to June 30, 1958</u>		*
AFE 314	120,000	
<u>Utilities (May 13, 1958 to June 30, 1958)</u>		*
AFE 319, Area 4	50,000	
AFE 313, Area 7	50,000	
<u>Oil Facility Relocating and Raising (May 13, 1958 to June 30, 1958)</u>		*
AFE 320, Area 4	200,000	
AFE 315, Area 7	250,000	

\* Subject to later determination by the State Lands Commission

\*\* Expenditures approved hereunder to be completed by June 30, 1958